

VISION

The State of Montana attracts, retains and motivates a high-quality workforce.

GOALS & OBJECTIVES

The following goals and objectives apply to all executive branch positions covered under 2-18-101 through 2-18-320, MCA, except those covered under the collectively-bargained blue collar plan. Specifically, the proposal includes all executive branch employees who are not elected officials or the personal staff of elected officials. It excludes employees of the university system, employees of Montana's legislative and judicial branches, and all other positions listed under 2-18-103, MCA.

1. *The State's compensation system¹ will be internally equitable.*

- (a) The compensation system will rely on a single classification plan by July 1, 2007; the plan will use job-related standards that are uniform and consistently applied.
- (b) The compensation system will rely on the same centrally-established market rates and pay ranges for the same job classes within each pay band.
- (c) The compensation system will not discriminate against women or minorities.
- (d) The Office of Budget and Program Planning will work with state agencies to develop a transitional funding approach to mitigate pay differences between employees in agencies with varying funding resources.

2. *The State's compensation system will be externally competitive.*

- (a) All state agencies will move to the broadband pay plan by July 1, 2007.
- (b) The Department of Administration will survey competing employers biennially to set pay band levels, identify current and accurate market rates for all occupations, and compare other employers' benefit packages. Representatives of state agencies will participate in the survey process to ensure survey job matches are valid and reliable.
- (c) The long-term goal of Montana state government is to compete for qualified workers by paying the market rate at hire for all state jobs. Given fiscal constraints, however, the shorter term goal will be to pay all employees a minimum of 85 percent of market.
- (d) The Department of Administration will work with state agencies to develop strategic recruitment, retention and succession plans for specialized, difficult-to-recruit occupations and management positions.

¹ The state's compensation system includes three components - the pay plan, the classification plan, and the benefits plan.

3. *The State's compensation system will be fiscally responsible.*

- (a) State agencies will implement pay plans that are financially sustainable.
- (b) State agencies will tie employee performance expectations to their agency missions.
- (c) State agencies will actively manage the performance of employees to ensure agency missions are met.

4. *The State's compensation system will be flexible, recognizing employees' individual contributions.*

- (a) State agencies will design their own pay plan rules within the broad parameters established through these goals and objectives.
- (b) State agencies will design and implement strategic human resource activities (recruitment, training, retention, and succession management) to meet emerging workforce challenges and respond to labor market realities.
- (c) State agencies will identify, acknowledge, and may reward employees for their competencies and performance.
- (d) The State Office of Labor Relations will negotiate with state employee labor unions the parameters of the single compensation system, and will bargain agency pay plan rules with labor unions representing the respective agency employees.

5. *The State's compensation system will be supported by the Department of Administration.*

- (a) The Department of Administration will support agencies by analyzing and identifying best practices, providing current and accurate occupational market rates, assisting agencies implementing and maintaining their pay and workforce development plans, and reviewing and approving agency pay plan rules.
- (b) The Department of Administration will help state agencies ensure their pay practices do not have a disparate impact on women or minorities.
- (c) The Department of Administration will assist agencies in the fair and equitable application of the classification and pay plans across all agencies.

6. *The compensation system will be easily understood and communicated to all stakeholders.*

- (a) The Department of Administration will develop a communications plan for state workers, state employee unions, and the legislature describing in plain and concise terms the compensation system and corresponding changes in management practices.
- (b) State agencies will communicate to employees, in plain and concise terms, the specifics of their agency plans, the effect on each employee's pay rate, and any corresponding changes in agency expectations and management practices.
- (c) The Department of Administration will assist state agencies to educate agency managers responsible for administering the pay plan.